

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2001-247-W - ORDER NO. 2001-713

AUGUST 8, 2001

IN RE:	Application of Carolina Water Service, Inc.)	ORDER APPROVING
	(CWS) for Approval of Contract between)	BULK WATER
	CWS and the Town of Lexington for Bulk)	AGREEMENT
	Water Service to Customers in Westside)	
	Terrace in Lexington County.)	

This matter comes before the Public Service Commission of South Carolina (the Commission) on the Application of Carolina Water Service (CWS or the Company) for approval of an Agreement between CWS and the Town of Lexington for bulk water service for the customers in Westside Terrace Subdivision (Westside Terrace) in Lexington County, South Carolina. Commission Regulation 103-743 requires Commission approval of contracts which effect a utility's fitness, willingness, or ability to provide water service.

Previously, CWS was servicing Westside Terrace with three wells. The largest of the wells was located on land owned by the Babcock Center. That land has now been sold and CWS has been unable to obtain an agreement for continued use of the well. This leaves a possibility of having the use of the well terminate on short notice by the new owner, in which case the Company would be left with two wells to supply its customers in that area. The two wells do not produce enough water to adequately supply the area, particularly in the summer months, according to the Company.

If the agreement for bulk water service is approved, the monthly bill, based on a customer's average monthly usage of 6,000 gallons, would increase by \$4.14. This is based on a requested increase of \$.69 per 1,000 gallons. A customer would pay a commodity charge of \$3.93 per 1,000 gallons, if the agreement is approved.

Pursuant to the instructions of the Commission's Executive Director, a Notice of Filing was published in a newspaper of general circulation in the service area. Also, copies of the Notice of Filing were mailed to each affected customer. Affidavits were filed with this Commission showing compliance with the instructions of the Executive Director. No Protests or Petitions to Intervene were received. Pursuant to the provisions of S.C. Code Ann. Section 58-5-240 (G)(Supp. 2000), this Commission may allow rates to be put into effect without a hearing when such rates do not require a determination of the Company's entire rate structure. Since this case does not require a determination of the Company's entire rate structure, we will proceed to rule on this case without a hearing.

We hold that the Application should be granted as filed. The Company has clearly shown the need for approval of the bulk water agreement, since the wells presently supplying the neighborhood in question do not produce enough water to adequately supply the area, especially in the summer months. We believe that the increase in rates proposed for the area is reasonable, considering the fact that a reliable supply of water will be in place as the result of the bulk contract. Accordingly, the contract and the rate increase are both approved as filed.

This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:

Chairman

ATTEST:

Executive Director

(SEAL)